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ABSTRACT

When is a student emancipated from his parents in considering financial aid applications? Indeed, independence from parental support will surely be the subject of litigation and legal settlement in the near future as students and parents test the ramifications of the 18-year-old vote and the age of majority. The author prefers to request financial information of both parents of all students up to the age of 25, whether or not previously self-supporting. There are numerous reasons for requiring full parental information about students who claim to be but may or may not be actually self-supporting. Income, assets, liabilities, and dependents all suggest how much the parents might be expected to lend to the self-supporting student if they are unwilling to contribute directly to educational costs. The family, for most students still in their formative years, should be considered an actual, not a hidden, resource. A 19-item bibliography on the self-supporting student is included. (Author/PG)

ED 090817

Who Should Support The Non-Traditional Aid Applicant?

GRANT CURTIS - TUFTS University

In reviewing the published materials relating to self-supporting or independent students, I seem to have found at least one area of agreement: no one likes the current treatment of aid applicants who are, or claim to be, emancipated from their parents. Therefore, it is not surprising that a fairly extensive amount of recent writing exists on this subject, mostly to be found in Journals and conference reports. The bibliography at the end of this paper has 19 citations, and more will be available when this conference ends.

Charles Seward, writing in the November, 1972 Journal of Financial Aid, claims that only orphans and wards of the state are fully independent of parental support for financial aid purposes. His rationale is that if others are exempt, it is quite unfair to the students and families who are willing to pay their share of college costs. In the following June issue, Donald Moore replies that clearly, some students are independent, because in fact they do not receive support from their parents. Richard Tombaugh, whose paper "The Independent Student-Fish, Fowl Or Other?" was delivered to the Special Conference on New York State Financial Aid, asserts there is "a parental responsibility for the costs of preparation for life", but he "accepts the existence of the independent student as a reality of life...".

Tombaugh, like Alexander Sidar of the College Scholarship Service would identify the "truly emancipated individual" who then should be treated accordingly. Sidar identifies three categories of students he considers "truly independent" of their families for aid purposes:

1. The returning veteran
2. The working student (single, married, or married with a family) who has established his (or her) own residence.
3. The older, returning married student.

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Sidar also describes the "voluntary" self-supporting student who wishes to relieve parents of a financial burden, or to escape from their wishes and desires. There is also the "involuntary" aid applicant who may have been "dismissed" by family for marriage or unorthodox life-style. Don Whitlock of the State University of New York would allow self-supporting status only when the choice of that status has been removed from the student, while Charles Ehrensberger looks to the source of the applicant's funds for all purposes in order to determine status. He suggests that a student should not be considered independent for tuition purposes, but dependent upon family for room, board, or other support.

All writers do agree that the problem of determining self-supporting status for financial aid purposes will not go away. Indeed, independence from parental support will surely be the subject of litigation and legal settlement in the near future, as students and parents test the ramifications of the 18 year old vote and the age of majority. There is also agreement that we cannot solve the problem by setting inadequate budgets for self-supporting students. Rationing of funds, as for example ignoring the living expenses of an aid applicant's spouse and children, will not help aid officers who must award public and private institutional funds with fairness and equity.

In some way, we must come to terms with all the would-be and the de facto, self-supporting students, the alienated, the veterans, those who live with their parents yet pay room and board, and even the poor unfortunate whose parents contribute nothing to support but continue to claim a tax exemption. God must love these "non-traditional" aid applicants. He made so many of them.

I agree that self-supporting students are with us to stay. I have collapsed, "aidwise", when confronted with the issue during the school year after students have gone as far as possible on their own, but now must pay or leave. But, in principle, I am not able to accept the dichotomy of aiding so-called, "independent" students, based solely upon the legal technicality of tax dependency plus parental unwillingness to contribute according to ability, when dependent applicants are denied aid

because we estimate their parents are able and willing to pay.

I prefer a principled, rather than the pragmatic approach adopted by many of the writers who, I must agree, are following the CSS approach of taking people as they find them. As a matter of principle, however, my inclination is to take a position slightly to the left of Mr. Seward, who you remember accepted only orphans and wards of the state as independent and truly self-supporting for aid purposes. (Parenthetically, if you disagree with him, remember that Seward's Folly of the 19th century, Alaska, has now surpassed in size and perhaps one day even in oil resources, the great state in which we meet today.)

To be fair to all applicants for scarce funds, I prefer to request financial information of both parents of all students up to the age of 25, whether or not previously self-supporting. Twenty five has no particular magic or significance, although most young people seem to be out of their formative years by that time. The State of Pennsylvania is now using 6 years after high school graduation as an absolute criterion for emancipation for aid purposes.

At Tufts, we have been asking for parental information for all undergraduates and many graduate students, and have been receiving it, for several years. At our Dental School, where costs are over $10,000 for the first 11 months next year, a special letter accompanying the aid application explains why we need to consider the family resources of all applicants, even those over the age of 25. Objective information is needed because aid funds are so scarce and costs so high, that we feel available aid should be distributed as widely and fairly as possible. (Whether the SFS or the PCS is used, we have found it necessary to require a photostat of the parents' own copy of the most recent U.S. Form 1040, and a signed waiver permitting us to obtain an official copy. Thus we confirm tax dependency or lack of it, and also check the income and assets stated by parents on the CSS forms.)

There are numerous reasons for requiring full parental information about students who claim to be but may or may not be actually self-supporting, First, the tax form

unequivocally shows whether the applicant was claimed. The SFS unfortunately asks the student, not the parents, this question; in many instances, the parents may not complete the form or even sign it. Also, income, assets, liabilities, dependents all suggest how much the parents might be expected to lend to the "self-supporting" student, if they are unwilling to contribute directly to educational costs. Our statement to parents, which students of course see, stresses our feeling that parents have more responsibility for the education of their own children than does the institution or the public. The letter frequently results in some kind of accomodation, such as a loan or a gift. (See Appendix A.)

If parents are willing to provide information, we are willing to make an award. It is based upon the amount, if any, we think the parents could reasonably be expected to give or loan to the student, after allowance is made for all special expenses caused by the circumstances. Ordinarily, this "reasonable" amount is expected from discretionary income when the student has established legal independency, as judged by the Office of Education guidelines. The initial $1150 of maintenance found in the present CSS parents' contribution is dropped as a concession to the parental loss of tax exemption. Although we expect a loan or gift from that part of parental income not required for ordinary living expenses, or from substantial family assets, we do not require it. Frequently, the student substitutes employment and a federally insured loan for the parents' contribution estimated by Tufts.

Why do I advocate such Draconian measures? Clearly, they fly in the face of that widely accepted tenet of the aid profession that we take people as we find them. As you know, CSS does not investigate family spending habits and crises over the past 10 or 15 years in order to determine whether more or less income and assets should be available. However, I advocate consideration of all current resources available to a student, including those of parents and stepparents, if any, because the alternative to me seems to be immoral and merely expedient. Just as this nation could not endure part slave and part free, so aid to higher education may not endure if some students are to be heavily financed because their parents are unwilling to

contribute according to their means, while others are denied assistance or receive less aid because their parents are willing to provide support. The tremendous strains on higher education's fabric today may increase and cause open rents, if financial aid policy (or the lack of it) continues to:

1 - favor those whose families reject the concept of "parental responsibility for the costs of preparation for life", but

2 - discriminates against those who do accept this financial burden.

I know these views are likely to be unpopular. (I tested them at a faculty cocktail party last week.) Both money, and parental/child relationships, are highly emotional subjects, best avoided if possible by those outside the family. However, there is a further reason for my position. Not only would it seem that parents have more responsibility for their children's education than the public at large, or the private institution, but who will pay the bill if <u>all</u> parents are absolved of this financial responsibility?

The cost of higher education in 1972-73 has been estimated at $30 billion by the National Commission on the Financing of Post-Secondary Education. About 6.1 billion dollars, 21% of the total, was provided by parents and students. Another estimate by the College Board's Committee on Student Economics reported that 16.1 billion was spent on higher education in 1969-70: 53% was provided by parents and students. Whichever estimate is closer to the truth - 6 billion or 8 billion from families - it is evident that if some parents are relieved of the responsibility that many now assume for higher education, then increasing numbers will demand to be relieved. Several billion more of new aid funds will be needed! We know that such a huge amount is not likely to be available to pay the higher education bill for parents and students, even from the federal government - although perhaps the oil industry may be in a position to make a very substantial contribution soon.

Until the Congress and the public indicate a willingness to pay <u>all</u> the costs of higher education that are currently assumed by parents and students, financial information should be required of all parents of all "self-supporting" aid applicants.

except possibly those applying solely for federally insured loans. The other resources are so scarce that they should only be awarded after parental ability, not willingness, to pay has been scrutinized. For those unwilling to aid their children when able, even by a loan or room and board at home, the federally insured loan program and some forms of employment would seem to offer reasonable alternatives.

Aid officers and policy committees are confronted by resistance to financial disclosure on the part of some families, while others, however reluctantly, are baring their financial souls and family secrets to obtain further education for their children. I urge we agree on required disclosure from the parents of those who have not established themselves firmly in the social fabric. It is expedient to accept the appearance of emancipation, but it is immoral in my judgement for us to do so if some parents are released from the obligation to prepare their young for life, while others, even of lesser means, continue support and thus find aid barred to them.

Alternatives in price of education and in forms of aid are open to those who do not care to bear their fair share. Award heavily subsidized gift and other aid on the principle of the ability, not the willingness, of <u>every</u> applicant to pay according to his or her resources. The family, for most students still in their formative years, should be considered an actual, not a hidden, resource.

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Appendix A

To: Dental Students

(a) Whose Parents Do Not Claim Them As Tax Exemptions or
(b) Who Wish To Become Independent Of Parents For Aid Purposes.

This year our dental applications for all kinds of aid through Tufts, including federal (Health Professions) scholarships and loans, request financial information directly from the parents of all who apply. In the past, the self-supporting, older student described the family's income and circumstances, but no request for information was made directly of parents.

With the continued increase in costs and the ever present shortage of aid funds, it now is felt necessary to gather objective financial data from the families of all aid applicants, whether dependent on their families or not, before limited funds are distributed. No longer is it a question of a family's willingness to assist its children after a certain age to gain professional status; instead, the ability of families to loan or give assistance to dental students must be judged by the Aid Committee in order to distribute the available funds to as many students as possible. Almost everyone now "needs" financial aid, so it is a question of determining those who need aid the most, even after parental loans or gifts are considered.

Accordingly, parents of every applicant who wishes to be considered for a loan or scholarship should complete the parental sections of the Student Financial Statement (SFS), the Family Information Form indicating the amount to be given or loaned to the student by each parent, and the Waiver and first page of the 1973 federal tax return (1040). If parents are separated or divorced, or if they file separate tax returns, each parent should provide the requested information.

The Committee will attempt to judge whether assistance should be expected from the parents of the older student, as well as the amount, after full information about family circumstances has been received. After the award decision has been made, based upon parental ability to assist, the student of course may make up any deficit by additional non-Tufts loans, work beyond the amount expected, and gifts from relatives and friends. We do not insist that parents give or loan a particular amount, but we shall estimate a reasonable amount from family resources when estimating need for financial aid.

Committee on Financial Aid

March 27, 1974